



**ANNUAL REPORT TO CONGRESS 1978**



## **The meaning:**

The Federal Grain Inspection Service's symbol is a traditional designation featuring two encircled triangles.

The triangle pointing downward symbolizes a laboratory divider. This device is used to insure a representative sampling of the grain and is crucial to the inspection process, a major responsibility of FGIS.

The triangle pointing upward is a stylized representation of a balance scale's weighing dish in perfect balance. It symbolizes the other major responsibilities of FGIS, that of providing accurate weighing to all grain customers.

The triangles touch at the center of the symbol, a reminder that while inspection and weighing are separate functions, they are part of the team mission of FGIS.

The circle around the triangles represents the unity of the two functions. The circle, with its longitude and latitude lines, also portrays the worldwide influence of the agency's export-related activities and symbolizes the impact FGIS services have on the world's population.

Many meanings can be read into an emblem. These meanings however, are sterile without the people of the Federal Grain Inspection Service.

In the long run it is the people that must make the emblem more than a means of identification. They must make the emblem represent not just scales and dividers but integrity, competence and service.

It is the goal of every FGIS employee to make this emblem a badge of honor that will stand alone.

Additional copies of the 1978 Annual Report may be obtained by writing to:

U.S. DEPARTMENT OF AGRICULTURE  
Federal Grain Inspection Service  
Room 1642-South  
Washington, D.C. 20250

FEDERAL GRAIN INSPECTION SERVICE

FISCAL YEAR 1978 ANNUAL REPORT

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FEDERAL GRAIN INSPECTION SERVICE

Second Annual Report

to the

Committee on Agriculture of the  
House of Representatives

and

Committee on Agriculture, Nutrition,  
and Forestry of the Senate

As Required By

Section 17B (a) of the United States  
Grain Standards Act, as Amended

Reporting Period

October 1, 1977, through September 30, 1978

A. AUTHORITY

The United States Grain Standards Act (USGSA), as amended, specifies in Section 17B (a) "The Administrator shall submit a report to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate one year after the effective date of the United States Grain Standards Act of 1976 setting forth the actions taken by him in implementing the provisions of that Act; and, on December 1 of each year thereafter, the Administrator shall report to such committees regarding the effectiveness of the official inspection and weighing system under this Act for the prior fiscal year, with recommendations for any legislative changes necessary to accomplish the objectives stated in section 2 of this Act."

B. MISSION STATEMENT

To promote and facilitate the merchandising of U.S. grain and related commodities in an orderly, objective, and timely manner and to protect the general welfare of the people of the United States through the establishment of official U.S. standards and inspection procedures for grain quality and official standards for scale accuracy and weighing procedures, the establishment of an official national grain inspection and weighing system, and the uniform and accurate application of official U.S. standards and procedures and official certification of grain quality and weights as authorized and applicable under the USGSA, as amended, and the Agricultural Marketing Act of 1946.

LETTER TO CONGRESS FROM THE ADMINISTRATOR

Copies Sent To:

Honorable Thomas S. Foley  
Chairman, Committee on Agriculture  
House of Representatives  
Washington, D.C. 20515

Honorable Herman E. Talmadge  
Chairman, Committee on Agriculture,  
Nutrition, and Forestry  
United States Senate  
Washington, D.C. 20510

Dear Mr. Chairman:

I appreciate this opportunity to present the Federal Grain Inspection Service (FGIS) Second Annual Report to Congress. We attained our program implementation objectives for fiscal year 1978 and made a number of changes to improve management of the Agency. We believe we have made significant progress toward developing the leadership and direction to the grain inspection and weighing system as envisioned by Congress.

During fiscal year 1978 we completed implementation of the provisions initiated in fiscal year 1977. We initiated the implementation of the remaining provisions except for recordkeeping, registration, personnel standards, and interior weighing. We plan to implement the recordkeeping and registration provisions following the promulgation of the new regulations. Interior weighing will be implemented on or about November 20, 1978, and the remaining provisions as the technical aspects of these provisions are developed.

Also, in fiscal year 1978, the Agency pursued a number of other activities, described below, in addition to the ongoing inspection and weighing activities:

1. Made a concerted effort during the year to work with industry representatives to resolve local operational and procedural problems.
2. Held public meetings with farm, industry, and inspection groups throughout the United States to obtain comments on the draft of the regulations.

3. Strengthened and expanded our internal training program for new employees and provided refresher training for the more experienced.
4. Launched an accelerated grain standards developmental program.
5. Expanded the activities of the International Monitoring Staff to obtain a more comprehensive insight into grain export quality and quantity problems and to better inform foreign buyers of official inspection and weighing procedures, and certification options available to them.
6. Proceeded with the licensing of samplers, inspectors, and weighers under procedures set forth in the amendments.
7. Initiated the new delegation and designation program and resolved many situations where possible conflicts of interest existed.
8. Evaluated the FGIS fee schedule and reduced fees to be implemented on December 3, 1978.

Along with the Agency's efforts listed above, we made the following changes in our management system which we feel are worth noting:

1. Separated field office management (line) responsibilities from the Washington program divisions so that these divisions can concentrate on providing the quality and uniformity of technical directives not possible in the past.
2. Created an Operations Staff to monitor and coordinate field operations.
3. Completed an in-depth study of the Agency's directives system to more effectively and efficiently meet the technical and management needs of field operations.
4. Implemented a regional office system to provide better and more timely responses and direction to the needs of the FGIS field staff and to the users of official inspection and weighing services.
5. Initiated a systematic review process of field operations to ascertain compliance with official procedures.

6. Developed provisional safety guidelines in cooperation with the Occupational Safety and Health Administration for FGIS employees working in elevators.
7. Initiated programs to utilize part-time and intermittent employees to ease the overtime workload of FGIS employees at certain export markets.

We have not reached our present level of development without encountering obstacles nor without sacrificing program quality. The elevator explosions in December 1977 had a major impact on our recruitment program. A number of employees resigned as a result of these explosions and recruitment of new employees became more difficult. The explosions also sensitized our staff to a wide range of elevator safety issues, and raised the issue of hazardous duty pay for FGIS employees working in grain elevator facilities. The issue of hazardous duty pay is under consideration but has not been resolved. In addition, our attrition rate of trainees did not decrease from the 1977 level as anticipated, but continued to exceed 30 percent for fiscal year 1978. The continuing attrition rate increased both recruiting and training efforts beyond levels initially anticipated. We are addressing these recruitment problems by redirecting our efforts to include the active recruitment of high school graduates and others who can be attracted to this type of work.

We were forced to continue assigning experienced personnel to export locations through most of fiscal year 1978, thus weakening the interior market supervision program. The overtime required at certain export locations remains excessively high. However, an attempt to help relieve the overtime problem, through the use of part-time and intermittent employees, has been only marginally successful.

There are many segments of the grain industry that do not agree it was necessary to amend the Act to correct inspection and weighing irregularities. Critics have indicated to us that provisions such as inbound weighing of grain at export elevators at export point locations, recordkeeping, registration, and conflicts of interest were "over-reactions" to the dishonesty of a few. They complain that such provisions increase marketing costs without corresponding benefits. For example, the cost of weighing has been the subject of considerable industry criticism.

The Agency is also concerned about inspection and weighing costs. We have established that our costs are lower than anticipated, and we plan to implement lower fee schedules, effective December 3, 1978. Reduction of FGIS program costs is a priority; however, one of our immediate cost concerns is the cost of official weighing. FGIS weighing supervision costs have been reduced in some elevators through the conversion of beam-type scales to electronic scales requiring fewer weighers and supervisors. Other cost reductive measures and program alternatives are being examined.

Over the past year, we have worked closely with the National Association of Chief Grain Inspectors in identifying inspection problems and finding solutions to these problems. We held regular working meetings, both at the national and regional levels, to coordinate FGIS and official agency grain inspection and weighing efforts. We have also been actively involved with major national grain trade associations in the review of the proposed regulations. The focus of these efforts is to share information between the public and FGIS so that the decision-making process is open and viable.

We feel we are a more effective organization than reported in our First Annual Report. We have instituted a number of management changes in fiscal year 1978 that will have a positive impact on our performance in fiscal year 1979. We are optimistic about our future and ability to organize and make operational a grain inspection and weighing program that conforms to the intent of Congress when it amended the United States Grain Standards Act.

We know we cannot build a sound grain inspection and weighing program without adequately evaluating the impact of each provision of the Act on all concerned. Since the period for public comment on the proposed regulations has been extended to October 29, 1978, we feel it advisable to thoroughly digest these comments, along with other factors impacting on the grain inspection and weighing system, before making further program recommendations to Congress. Therefore, we have not included in this report recommendations for legislative or other changes in the inspection and weighing system. We propose to provide Congress an addendum to this report of our legislative and program recommendations in mid-fiscal year 1979.

We appreciate the interest Congress has shown in our program and will endeavor to meet the high standards of performance Congress has set.

Sincerely,

  
Leland E. Bartelt  
Administrator

FEDERAL GRAIN INSPECTION SERVICE

GOVERNMENT, ORGANIZATION, AND OTHER  
ABBREVIATIONS REFERENCED IN THIS REPORT

AAR	Association of American Railroads
ACG	Agricultural Commodity Grader
AMA	Agricultural Marketing Act of 1946, as amended
AMS	Agricultural Marketing Service
APHIS	Animal and Plant Health Inspection Service
BAR	Board of Appeals and Review
DRT	Domestic Review Team
EEO	Equal Employment Opportunity
ERT	Export Review Team
FGIS	Federal Grain Inspection Service
GAO	General Accounting Office
IMRB	Inspection Methods and Research Branch
NIR	Near-Infrared Reflectance
OGC	Office of the General Counsel
OI	Office of Investigation
OIG	Office of Inspector General
OSHA	Occupational Safety and Health Administration
SEA	Science and Education Administration
USDA	United States Department of Agriculture
USGSA	United States Grain Standards Act, as amended (Also referred to as the "Act")
VRT	Travel Voucher and Time and Attendance Review Te.

## I. BRIEF HISTORY OF THE UNITED STATES GRAIN STANDARDS ACT

The U.S. Department of Agriculture (USDA) has the responsibility for administering the United States Grain Standards Act (USGSA) since it was promulgated in 1916. The Act was amended in 1940, 1956, 1958, 1968, 1976, and 1977. The grains inspected under the Act are corn, wheat, rye, oats, barley, flaxseed, sorghum, soybeans, triticale, and mixed grain. Prior to November 1976, the Act was carried out by the USDA, Agricultural Marketing Service (AMS), Grain Division. During the 60 years between 1916 and 1976 under the USGSA, only designation and supervision of qualified States and official inspection agencies that performed the original inspection of grain were authorized.

Investigations by the U.S. attorney's office in New Orleans, beginning in 1974, identified irregularities in the weighing and inspection of export grain. Congress, after further investigation, amended the USGSA in 1976 and again in 1977. These amendments included such changes as establishing the Federal Grain Inspection Service (FGIS) as a separate Agency in USDA, official weighing, an accelerated grain standards developmental program, increasing supervision by FGIS of official agencies, and strengthening the conflicts of interest provisions of the Act. In addition, the amended Act authorized Federal employees for the first time to perform original inspection and weighing of grain within the United States, but only under specified conditions. Previously, Federal employees performed original inspections in Canada only. At export locations, the latest amendments authorized only FGIS and selected delegated States, under FGIS supervision, to perform original inspection and weighing. This prohibited private agencies from inspecting and weighing grain for export.

At interior locations, the structure of the official grain inspection system was not altered by the amendments. Designated agencies were permitted to perform original inspections under FGIS supervision. FGIS employees are not authorized to perform original inspections at interior locations, except for interim periods as needed until qualified agencies can be designated. In the case of official weighing, FGIS employees are authorized to perform official weighing on a permanent basis and also supervise agencies that perform official weighing. As of September 30, 1978, FGIS had not initiated an official weighing program at interior locations. Plans have been developed to implement official weighing on or before November 20, 1978, at interior locations exporting grain. This includes rail shipments to Mexico.

FGIS is also responsible for the inspection of such agricultural commodities as rice, beans, peas, lentils, hay, hops, and processed grain products under the authority of the Agricultural Marketing Act (AMA) of 1946, as amended.

## II. MAJOR IMPLEMENTATION CONSTRAINTS

Implementation of certain provisions of the Act was delayed, during fiscal year 1977, because it was apparent that Congress was going to further amend the 1976 Act. Following the passage of the 1977 amendments to the Act in September 1977, the plan for implementation of the USGSA was revised. This delay materially lengthened the time required, by at least 12 months, to draft new regulations and amend present regulations. Promulgation of the new regulations is now planned for May 1979.

As indicated in our First Annual Report, priority was given to the development of the export program. This policy was continued in fiscal year 1978. Briefly, this policy necessitated the concentration of experienced personnel to export locations for the implementation of official inspection and weighing activities. The Federal takeover of inspection and weighing at export locations was initiated on January 1, 1977, and completed on February 26, 1978. This policy left few experienced technicians and managers to strengthen the quality and adequacy of supervision at interior locations.

The number of agricultural commodity graders (ACGs) who reached journeyman level (GS-9) during fiscal year 1978 increased by 115. This brought the total number of ACGs (GS-9s) at export locations to 250 and the total number of ACGs (GS-9s) at interior locations to 79. This increase permitted the relocation of approximately 30 ACGs (GS-7s and GS-9s) during the latter quarter of fiscal year 1978, from export locations to interior locations having critical manpower needs. This relocation represented an initial thrust to strengthen interior locations with personnel having greater technical proficiency than was previously available. At the close of fiscal year 1978, FGIS field offices were not yet adequately staffed. Overtime at many export locations remained excessive. Recruitment efforts to utilize part-time and intermittent employees have only been partially successful, because responses to the recruiting program have been below our immediate needs. Staffing of interior field offices remained at an inadequate level and did not provide the Agency with the degree of performance needed to assure uniform application of official grain standards. The elevator explosions, which killed 56, 13 of whom were FGIS employees, increased the difficulty of recruiting new employees. Also constraining the development of FGIS has been the time required to prepare new regulations and revise the directives system.

The impact of the 1977 amendments was to remove a number of uncertainties and constraints to the implementation of the Act that were present in fiscal year 1977. However, FGIS had to accelerate the implementation of some provisions during fiscal year 1978 in order to meet the 2-year implementation schedule.

### III. HOW FGIS IS ORGANIZED

Several changes were made in the FGIS management structure during fiscal year 1978. These changes were delayed until most of the new provisions of the Act were implemented in order to more accurately ascertain total management needs. The impact of these changes will be reflected in the Agency's fiscal year 1979 performance.

Prior to the creation of FGIS, the management structure, in which Washington program divisions were responsible for both line and staff grain inspection functions, provided an insufficient level of management control and technical direction over field operations. This was a result of budgetary and staffing limitations over a period of years.

At the time FGIS was established, the decision was made to continue the dual staff/line responsibilities of Washington-based program divisions, despite the cited limitations. This decision was made because FGIS had only enough managers and experienced technicians at the Washington level to continue ongoing inspection programs, assume original inspections at selected export locations, develop the basic ingredients and implement the new weighing program, and provide basic compliance services. It was recognized that this approach would place a heavy workload on the available staff to meet line responsibilities and continue the volume and quality of staff work needed. However, this approach provided a means of meeting essential program requirements during the initial developmental phase of the FGIS program. For example, meeting all requests for inspection and weighing services at export port locations.

The 1976 and 1977 amendments materially broadened FGIS program responsibilities beyond the limited inspection supervision function that existed prior to November 20, 1976. To illustrate the change that has taken place in field office operations, the following statistics are presented: field operations, as of June 30, 1975, consisted of 32 field offices and approximately 273 full-time permanent and 15 other than full-time permanent employees. These are 1975 fiscal year-end figures that did not reflect increased appropriations resulting from the congressional investigation into grain inspection and weighing irregularities. As of September 23, 1978, Agency field operations had increased to 40 field offices and 1,275 full-time permanent and 186 other than full-time permanent employees. (See Appendix, Total Employment Statistics, page 25.)

To implement the separation of staff and line (field operations) functions, the responsibilities of the two Assistant Deputy Administrators for Program Operations were redefined; one was assigned to manage field operations and the other assigned to manage staff functions.

To implement the line function, a small Operations Staff was approved in July 1978, to be established in the Office of the Assistant Deputy Administrator for Program Operations (Field). Under the direction of this Assistant Deputy Administrator are five regional offices (Atlanta, GA; Chicago, IL; Dallas, TX; Kansas City, MO; and Seattle, WA; which are also discussed under section IV, page 8) and 39 field offices located at grain concentration points throughout the United States and one in Canada. Twenty-three of the 40 field offices have a primary function of inspection, weighing, or the supervision of inspection and weighing at export locations, while the remaining 17 have a primary function of supervising domestic grain inspection under the Act.

To focus personnel resources on technical support activities, the four Washington-based program divisions (Inspection, Weighing, Standardization, and Compliance) were placed under the direction of the Assistant Deputy Administrator for Program Operations (Staff) in July 1978. A small Administrative Office was placed under the supervision of this Assistant Deputy Administrator to provide services primarily to the Washington program divisions.

Realignment of the Assistant Deputy Administrators' responsibilities was designed to increase uniformity, quality, and effectiveness of program management, providing a systematic procedure for evaluating the sufficiency of directives and the updating of current directives. Limiting Washington program divisions to staff activities should increase efficiency. Field operations should receive uniform and consistent direction, and therefore increase efficiency at the field office level. The above actions constitute a major change in the Agency's approach to program management. (See Appendix, Organization Chart and Regional Boundary Map, pages 26 and 27.)

To provide greater insight into the FGIS organization, brief overviews are presented below for each of the Washington-based program divisions and staffs:

- The Inspection Division is comprised of a Program Analysis Group, International Monitoring Staff, Inspection Equipment Branch, Grain Procedures Branch, and Rice and Commodities Branch. The division is responsible for developing and maintaining uniform inspection policies and procedures as defined by the USGSA and regulations which include FGIS official inspection, appeal inspection, and supervision of licensed inspection personnel; providing for a national inspection program for rice, pulses, and miscellaneous processed commodities under the AMA; developing a comprehensive equipment program to complement the USGSA and AMA inspection programs; and developing and implementing a program to monitor shipments of U.S. grain upon arrival in foreign ports. (See Appendix, Inspection Function, Statistical Data, pages 28 and 29.)

- The Weighing Division consists of a Program Analysis Group, Policies and Procedures Branch, Scales Testing and Weighing Branch, and Grain Inventory Monitoring Branch. The division is responsible for developing national weighing procedures used by field personnel to officially weigh grain; developing weighing policies that are standardized nationwide; assuring that all scales and related equipment are tested on a regular basis; ensuring that accurate weights are produced by all official scales; monitoring elevator inventory records; conducting physical inventories at export elevators; and studying, analyzing, and recommending solutions to develop the weighing program. These activities include support to official agencies that are weighing grain. (See Appendix, Weighing Function, Statistical Data, pages 30 and 31.)
- The Standardization Division is composed of a Board of Appeals and Review (BAR), Safety Office, Inspection Methods and Research Branch, Marketing Standards Branch, and Training Branch. The division is responsible for planning, developing, improving, and formulating new, revised, or amended official grade standards for grain and other assigned commodities; providing appeal services on official grades issued by Federal and other official agencies; developing new and improved inspection techniques; conducting demonstrational and educational programs for promoting understanding and encouraging the use of grade standards; maintaining for the Agency, technical liaison with Federal and official agencies, trade and producer organizations, and related groups; providing safety program management in cooperation with the Occupational Safety and Health Administration (OSHA), the Department's Safety Task Force, and others as required; directing and coordinating equipment checktesting; and providing and assisting in the training of Federal and official agencies' personnel. (See Appendix, Standardization Function, Statistical Data, pages 32 and 33.)
- The Compliance Division is comprised of a Regulations and Coordination Staff, Licensing Branch, Delegation/Designation Branch, and Registration Branch. The division is responsible for assuring that official personnel are performing official inspection and weighing functions in a correct and uniform manner at export and interior locations under the USGSA and AMA; conducting compliance reviews of official agencies to assure that these agencies are qualified to be officially delegated and/or designated to perform official services; licensing of samplers, inspectors, and weighers hired by delegated or designated official agencies to perform specified official services; assigning geographical areas to official agencies in which to operate; assuring that all firms exporting grain are properly registered; verifying all affected firms are maintaining the necessary records; coordinating all investigations; developing regulations and amendments to the regulations; arranging

and monitoring the review process of field operations conducted by Export Review Teams (ERTs), Domestic Review Teams (DRTs), and Travel Voucher and Time and Attendance Review Teams (VRTs) and assuring a follow-up review process in problem areas; and serving as FGIS liaison for the Office of the General Counsel (OGC), the Office of Inspector General (OIG), the General Accounting Office (GAO), and AMS Personnel Division. (See Appendix, Compliance Function, Statistical Data, pages 34 and 35.)

- The Planning and Evaluation Staff, of the Office of the Administrator, is responsible for planning, developing, and maintaining, for FGIS, a comprehensive and integrated planning, evaluation, and programming system that coordinates Agency activities to Departmental/Congressional missions and objectives and providing the Administrator with economic, marketing, consumer, and producer information impacting on Agency programs.
- FGIS does not have its own support services. Administrative, financial, personnel, technical, and information support services are provided by AMS. This support services arrangement was implemented at the time FGIS was created. Under this arrangement, AMS is responsible for providing 136 man-years of services at an annual cost to FGIS of \$3.3 million. A small FGIS administrative office is responsible for facilitating the AMS administrative support services for both FGIS Washington and field program operations.

#### IV. MANAGEMENT, ORGANIZATION, AND PLANNING ACCOMPLISHMENTS

The initial FGIS organizational structure was developed to meet immediate program implementation problems. It was recognized that changes in the organization would be required as the program developed. The initial implementation workload placed on program divisions diluted efforts to provide the quantity and quality of staff work necessary to revise over 300 program directives to make them consistent with the new regulations and to develop new directives as required. It was concluded that unless a number of changes were made as soon as possible in management and resource allocations, the Agency could not provide the direction and technical guidance to the field staff to improve the accurate, uniform, and cost effectiveness of official inspection and weighing services.

The problems and constraints encountered in developing the Agency and in implementing the program were described in the Agency's First Annual Report. Many of the cited problems and constraints continued throughout fiscal year 1978. However, the intended benefits derived from the initial concentration of resources to export locations and the extensive training of personnel have permitted the Agency to design and initiate changes in the management and technical support system as planned. These changes are considered essential to a systematic growth in quality of services performed by FGIS, as well as official agencies.

FGIS is well aware that the potential for aberration or dishonesty in the grain inspection system, should a firm or individual choose this course of action, is still present at interior locations. The Agency simply does not have the experienced personnel to provide the quality of supervision as required by the amended Act. The Agency recognizes that inspection procedures are not being sufficiently followed and that the FGIS staff and official agencies have not been given adequate technical and administrative direction. The Agency believes that it has a firm grasp on the identification of these cited problems as well as potential solutions to these problems. In the opinion of management, the dedication and resourcefulness demonstrated by the total FGIS staff is commendable in coping with these problems.

The following accomplishments of fiscal year 1978 exemplify the efforts and resourcefulness exhibited by the total FGIS staff in addressing the issues cited above: (See Appendix, 1978 Agency Objectives, 1979 Agency Objectives, and 1979-1983 Agency Long-Range Goals, pages 36 through 39.)

- Started the initial development of an Operations Staff in July 1978. The major purpose of this staff is to improve communications between regional offices and the headquarters staff and to coordinate management of field operations. When fully staffed, the Operations Staff

will perform functions such as coordinating management procedures among the regions; acting as a conduit for communications between the regional offices and the headquarters staff; coordinating field office staffing, training, and manpower utilization; logging all actions flowing through the Operations Staff; following up on all actions in a timely manner; and identifying operational and procedural problems and directing such problems to responsible officials for solutions.

Prior to the formation of the Operations Staff, an overlapping of authority caused differing information and inconsistent instructions to be sent to the field. Also, more than one division and/or staff were sometimes found to be working to resolve the same problem. As a result, program effectiveness and performance suffered. When fully operational, the Operations Staff will consist of an individual to supervise the activities of the staff, individuals with recognized inspection and weighing technical expertise, and a backup staff.

- Implemented a regional office system (the first regional office, Atlanta, Georgia, was opened in January and the last office, Seattle, Washington, in July 1978) which was not fully staffed during fiscal year 1978. Staffing of these offices will be phased-in because of the lack of experienced personnel. Initially, regional offices were staffed with a director, a deputy director, and a secretary. A scales specialist and a technical assistant were later added to the staff. Regional offices, when fully staffed, will perform the technical supervision of field office operations and carry out all but the more technical support service functions. Those remaining technical support service functions will be carried out by the AMS support services. Regional directors have assumed responsibility for coordinating field office operations in their respective regions, initiating programs of mutual concern with the cooperation of chief inspectors, and improving communications with the grain industry. Coordination of program activities on a regional basis reduces the flow of management and technical questions from field offices to Washington program divisions; improves coordination of program efforts between official agencies and field offices; and improves uniform application of program directives.
- Made a decision to separate line and staff functions between the four Washington program divisions and the Operations Staff (as discussed under section III, page 4).
- Made a decision to establish an Issuance and Coordination Staff. This staff will assist staff divisions in upgrading the Agency's directives system, developing and maintaining the Agency's decision calendar, and coordinating the issuance of directives to all Agency levels. The decision to establish an Issuance and Coordination Staff was based on a study of the FGIS directives system which

identified major deficiencies in the system. For example, some directives were in conflict with others, some were not uniformly understood by field office supervisors or by official agencies, field office supervisors were not always certain which directives were current, most field offices had an incomplete set of directives and had difficulty maintaining an adequate directives system, and field office supervisors did not always find time to adequately study the constant flow of directives for comprehension.

When fully operational, this staff will provide overall direction for preparing and issuing program directives, checking newly developed directives for clarity and conformity to Agency policy, distributing directives, designing and implementing a revised directives system, tracking the developmental progress of new or revised directives, and maintaining the Agency's decision calendar. Anticipated benefits derived from this Issuance and Coordination Staff function are a uniform directives system, conformity of all directives to Agency policy, directives written in plain, understandable English, and professional assistance to staff divisions in preparation of directives. Without an effective and efficient directives system, uniformity in the application of inspection and weighing procedures between field offices and official agencies is virtually impossible. The Agency has placed high priority on the development of a new directives system.

- Improved communication linkages among the field staff, Washington staff, and the grain industry. To strengthen the communication linkage, three informational instruments are currently utilized: 1) A monthly newsletter called the "Conveyer" that describes the major events of the Agency as well as special features of activities in which FGIS employees participate. 2) Field office supervisors are informed of program related events through a weekly Agency report called "Program Notes". 3) A "Fact Sheet" is published periodically for grain industry, intra-agency, and other interested groups describing Agency actions of primary concern. FGIS will continue to explore better and more efficient ways to keep the overall staff as well as the grain industry adequately informed.
  
- A study of the interior grain inspection system was specified in the 1976 amendments. This study was initiated in September 1978. The time frame for completion was extended by the 1977 amendments from November 20, 1978, to May 20, 1979. Two constraints delayed initiation of this study. First, a qualified project leader could not be identified and secondly, FGIS supervision of designated official agencies performing official inspection at interior locations was critically inadequate. This study is expected to be completed as scheduled.

Congress requested FGIS, GAO, and the Departmental Office of Investigation (OI) to make independent studies of the grain inspection and weighing system. FGIS, GAO, and OI are coordinating their respective study efforts. The GAO and OI studies have been initiated and divided into several phases. Both GAO and OI have closely monitored FGIS operations throughout the implementation of the Act. The FGIS and OI studies will be submitted to GAO for a sufficiency evaluation and to Congress, in compliance with the Act, on or about May 20, 1978. Six months later, GAO will make a final report to Congress incorporating the findings reported by FGIS and OI.

- Established a Liaison Staff in the Office of the Administrator. This staff consists of two professionals and is designed to assist the Administrator in maintaining a working relationship with Congress and others.
  
- Initiated a safety program during fiscal year 1977 which was substantially expanded during fiscal year 1978. The grain elevator explosions (as cited in the letter to Congress from the Administrator) were the primary causal factor in the escalation of safety activities during fiscal year 1978. During fiscal year 1978, safety program resources were primarily focused on FGIS activities in accident prevention, control, investigation, and recordkeeping; safety education and promotion; analyses and reporting; occupational health and sanitation; and working with OSHA, the National Fire Protection Association, the Department, and others in producing a viable and meaningful safety program. Major areas of inquiry involved the sufficiency of elevator safety equipment and procedures, research needed to resolve grain elevator safety problems, fire hazards, bomb threats, and recirculation of grain dust.

The Agency issued grain elevator evacuation guidelines in January 1978, authorizing field office supervisors to evacuate elevators under hazardous conditions. Temporary evacuation of FGIS employees from export elevators presented some problems to exporters. These temporary shutdowns of elevator operations, until the hazards were corrected, resulted in downtime for elevators involved, caused delays for truckers awaiting the unloading of their grain, and increased demurrage costs. However, the number of lives and the amount of property that were saved as a result of these actions cannot be ascertained.

A number of bomb threats were received throughout the year at elevators where FGIS employees are stationed. As a result, an Agency instruction was issued outlining policy and procedures to be followed in the event of bomb threats at grain handling facilities.

In January 1978, a special Safety Task Force was established to determine the cause or causes of grain elevator explosions, identify additional safety precautions that should be taken, and further develop safety guidelines for FGIS employees working in grain elevators.

FGIS sponsored, in cooperation with the National Academy of Sciences, an international symposium on grain elevator explosions. Position papers were presented by officials from appropriate Federal agencies, employee unions, the insurance industry, universities, and by representatives from 10 foreign countries. In addition, representatives of the grain elevator industry and manufacturers of dust collection equipment and detection suppression instruments participated in this symposium.

- Approval to move the FGIS Standardization Division to Kansas City, Missouri, was granted during the early months of fiscal year 1978. The Training and Marketing Standards Branches and part of the Inspection Methods and Research Branch were moved in July 1978 to Kansas City into temporary facilities. Moving the remainder of the division will be completed when facilities are ready. The move is designed to facilitate the division's ability to respond to Agency inspection problems; reduce outlays for travel while improving the productivity of employees and the quality of services provided by the division; and promote closer working relationships with public and private agencies. Travel costs associated with the annual supervisory inspections of field offices are expected to be reduced by this move, since most of these offices are located in the mid-western and western United States. In addition, activities of the Inspection Methods and Research Branch should be enhanced through closer working relationships with personnel of the U.S. Grain Marketing Research Center, Manhattan, Kansas, and installations of the Science and Education Administration (SEA), located in the mid-western United States. Location of the BAR at this mid-western location should also encourage licensed inspectors and others from official agencies to visit the BAR to discuss grain inspection problems of mutual concern. The American Institute of Baking (a private, non-profit organization) recently transferred its operations, including research related to end-use properties of wheat, to Manhattan, Kansas. Kansas State University, Manhattan, Kansas, has developed a comprehensive program of research and teaching in grain science and technology. It is anticipated that opportunities for scientific interchange and collaborative research will be improved by this closer proximity of the Inspection Methods and Research Branch to these organizations.
  
- Drafted and completed for public review, during fiscal year 1978, the new regulations incorporating the provisions of the 1976 and 1977 amendments to the Act. It was not practical to proceed with the

drafting of the regulations until after October 1, 1977, because Congress was in the process of considering further amendments to the Act. (See Appendix, Regulations Revised and Detailed Listing of Subpart A - Revised Regulations Under USGSA, as Amended, pages 40 and 41.)

New or revised regulations are usually promulgated in two steps. First, publication in the Federal Register as proposed rulemaking with opportunity for comment and with a proposed effective date or dates; and secondly, publication in the Federal Register as final rulemaking with a specific effective date or dates.

However, because of the extensiveness of the changes in the regulations, it was concluded that, it would be desirable to insert an additional step. This step consists of an advance notice of proposed rulemaking. A summary of the draft regulations was published in the Federal Register as an advance notice of proposed rulemaking with a 60-day comment period. The comment period was later extended to 90-days at the request of members of the grain industry. Copies of the draft regulations were also made available upon request.

STEPS FOR  
DRAFTING REGULATIONS AND PUBLIC REVIEW

(Fiscal Year 1979)

STEP

- 1 Complete cataloguing of comments received.
- 2 Provide decision sheets to Agency decision-makers for review.
- 3 Analysis of comments by decision-makers; redraft and edit draft regulations.
- 4 Prepare statement of consideration and begin final typing of proposed regulations.
- 5 Obtain final clearance for publication in Federal Register.
- 6 Submit to Federal Register.
- 7 Publication of proposed regulations in Federal Register, giving 60-day comment period.
- 8 Close of comment period.
- 9 Catalogue, review, and analyze comments received and edit proposed regulations for publication in Federal Register as final rulemaking.
- 10 Publish final rules in Federal Register, giving 30-day advance notice of effectiveness.
- 11 Effective date of new regulations.

Six formal public meetings were held to explain the more significant provisions in the summary and answer questions with respect to the Act and regulations. These meetings were of substantial help in providing interested persons and groups with additional information concerning the meaning and intent of the Act and changes in the regulations. These meetings also provided FGIS with a better insight as to the impact of the proposed regulations on industry.

Grain industry and trade reaction to the proposed regulations has been mostly negative. This criticism has focused primarily on the weighing, recordkeeping, registration of export firms, the stronger conflicts of interest provisions of the Act, and FGIS reluctance to grant waivers for weighing. FGIS fees for original inspections and official weighing have also been subjected to criticism. These critics state that the Act is an over-reaction to dishonest acts of a few and over-regulation of industry. They claim the Act imposes unnecessary marketing costs and provides few benefits. On the other hand, comments received, regarding the impact of the implementation of the Act, from country elevator operators, foreign buyers, and others in similar competitive positions, have been positive thus far. Several foreign buyers have indicated they are receiving better quality grain relative to the contract grade, and the weighing of their purchases is more accurate. Country elevator operators' comments reflect satisfaction with the improved accuracy of weights.

--- Placed emphasis, during fiscal year 1978, on expanding the Equal Employment Opportunity (EEO) Program within the Agency. This included informing all new employees about the program and appointing several EEO counselors to handle discrimination complaints, and a special emphasis coordinator to handle the Hispanic Employment Program. The Federal Women's Program coordinator should be appointed before the end of calendar year 1978.

A training program for supervisors stressing their role and responsibility in the EEO Program was initiated. Most field office supervisors and assistant field office supervisors have attended these training sessions.

Provisions have been made to delegate certain EEO Program activities to the regions. Several new EEO counselors will be appointed and trained so that each region will have access to a counselor when the need arises.

Recruitment efforts will continue to increase the number of women and minorities, with special emphasis on Hispanics, in areas of the country where they are significantly represented.

A method of evaluation will be developed and applied in fiscal year 1979 to determine and monitor the progress of the EEO Program within the Agency and to assist in the formulation of the following year's plan.

--- Formally structured the International Monitoring Staff of the Inspection Division during fiscal year 1978. This staff monitors and determines the validity of complaints and inquiries from foreign buyers and others by responding to each complaint on a case-by-case basis, monitors the unloading and ascertains the condition of selected U.S. grain export cargoes at overseas points, analyzes reason or reasons for changes in grain quality between the U.S. export location and the foreign buyers' facility, conducts formal and informal meetings with foreign buyers to inform them of our quality standards and procedures, and analyzes all information acquired from foreign monitoring activities for use in the evaluation of official grain standards. Activities performed by this staff during fiscal year 1978 were: 21 formal and informal foreign grain quality complaints and 1 formal and 1 informal weighing complaints were received this reporting period -- this compares to 20 quality and 9 weighing complaints received during fiscal year 1977. (See Appendix, Fiscal Year 1978, Summary of Inspection and Weighing Foreign Complaints, page 42.) Monitoring trips were made to 12 countries during fiscal year 1978. For example, teams went to Chile and the U.S.S.R. to study and perform fumigation procedures; a veterinarian from the Animal and Plant Health Inspection Service (APHIS) was sent to Cyprus to investigate the deaths of animals allegedly caused by feeding U.S. grain (barley); and a team was sent to Tilberry, England, to participate in the checktesting of diverter-type samplers as part of an FGIS, SEA, and University of Illinois Cooperative Agreement. (See Appendix, Summary of Foreign Monitoring Team Activities By Country Visited, page 43.) The staff briefed 29 visiting foreign trade or governmental teams and 26 agricultural attaches or their assistants. (See Appendix, Summary of Briefings Given Visiting Foreign Trade and Governmental Teams, page 44.)

The International Monitoring Staff was not completely staffed and fully operational at the end of fiscal year 1978. The program of the staff, procedures, and working relationships at foreign port locations have not been fully developed. Increased interaction with foreign buyers has helped reduce confusion and misunderstanding regarding U.S. inspection and weighing procedures and how the U.S. standards are applied. Through such exchanges of information, foreign buyers are being assisted in improving their contract specifications with U.S. export firms.

--- Made a decision in September 1978 to reduce certain FGIS inspection and weighing fees, effective December 3, 1978, by 12-1/2 percent and 20 percent, respectively. This decision

was made because FGIS costs have been lower than originally estimated and the administrative reserve was adequate to cover normal contingencies.

During fiscal year 1978 FGIS inspection and weighing fees were a major controversial issue for many grain firms. At the time FGIS took over the inspection of grain for export, fees increased for many export firms. In addition, both inbound and outbound official weighing were required at export elevators. In many situations, official weighing represented an increase in individual elevator costs over their weighing costs for prior years. For example, weighing costs varied considerably between firms because less verification of weights and weighing procedures was required. Many export elevator managers voiced their opposition to these increased costs as unnecessary and too high.

There are two major factors that impact on the level of FGIS fees. First, FGIS fees are the same at all U.S. inspection points where FGIS performs services and are based on FGIS inspection and weighing costs nationally. Therefore, local wage scales are not reflected in the FGIS fee schedule. Second, in some cases, previous to the FGIS takeover, inspection agency fees were subsidized or reflected local wage scales, therefore, were lower than FGIS fee schedules. However, FGIS fees are comparable to similar fees charged by several of the delegated States.

The FGIS weighing program is in the developmental stage. FGIS is concerned about the present cost of official weighing. The structure of the weighing program and fee schedule will be subjected to a thorough examination during fiscal year 1979. As FGIS improves its cost analysis system, FGIS fees will be reviewed and adjusted periodically to more precisely reflect FGIS current operating costs.

- Established a Grain Inventory Monitoring Branch, within the Weighing Division, to monitor the weighing certification process, provide a means to verify foreign and domestic weight complaints, facilitate the auditing of records in cases of suspected fraud in weighing grain, and facilitate the seasonal use of official weights at export elevators.

By the close of fiscal year 1978, this program had been initiated at five export elevators on the Great Lakes. In addition, action was taken to survey elevator managers with respect to their current inventory practices, so regulations and procedures for physical inventories and inventory records monitoring can be designed. This program is in the initial developmental phase and will be subjected to a thorough performance review.

--- Established a Grain Standards Advisory Committee as required by the 1977 amendments. The Act limits the life of this committee to 18-months or through March 1979. The purpose of the committee is to provide the Administrator with advice regarding the implementation of the USGSA. The committee consists of 12 members representing the interest of grain producers, consumers, and other segments of the grain industry.

The committee met in December 1977 and again in April, July, and August 1978. Issues reviewed and commented on by the committee pertained to the new regulations, intermarket inspection problems, inspection tolerances, weighing, handling and disposition of dust in elevators, registration fees, activities of the Safety Task Force, grain standards, and other areas of major concern to the grain industry, consumers, and FGIS.

This committee has been helpful in providing the Administrator with a broader perspective of views and recommendations of firms and associations on the committee.

## V. MAJOR PROGRAM ACTIVITIES

This section describes the technical and procedural activities in progress, initiated, and completed during fiscal year 1978. An overview of the kinds and nature of staff activities required to support grain inspection and weighing operations is also given.

The regulations translate the USGSA into a functional framework that describes the basic policies and program parameters to be implemented and administered. To implement the regulations, inspection and weighing operating procedures must be clearly stated and uniformly and accurately executed by authorized persons regardless of the inspection or weighing location. All research activities, grain standards, personnel procedures, licensing of personnel, fumigation of grain, and the like, must be reduced, in one form or another, to an operating procedure or instruction. Importance of the staff function must be appropriately emphasized if uniform and accurate application of official standards for inspection and weighing is to be attained.

### A. POLICIES AND PROCEDURES

The following are examples of program activities associated with the development and issuances of Agency policies and procedures:

- Implemented several activities to further standardize and simplify weighing procedures nationwide. These activities include the development of standardized weight loading logs and development of accompanying policies and procedures. Activities initiated in fiscal year 1978 and continuing through fiscal year 1979 include training of official weighers for interior markets, conducting on-sight reviews of weighing procedures at elevators where official weighing is performed, providing assistance in the expanded use of closed-circuit TV, where feasible, and developing weighing procedures, instructions, and notices.
- Tested and redesigned, over the past 18-months, an official grain weight certificate to meet program needs. In addition, about 50 special official grain weight certificates were designed and tailored to fit industry owned and operated weighing systems. This program has reduced errors and manpower requirements, increased grain movement, simplified paper work, and improved employee morale and Agency trade relations.
- Developed and implemented procedures to ensure grain flow integrity at export elevators. These procedures include the development of elevator handbooks for all export facilities, use of high-security padlocks to seal diversion points, and review of elevator delivery systems.

--- Cooperated with SEA and fumigant manufacturers, on a continuing basis, to develop and assess improved methods of controlling insect infestation in grain. Historically, insect infestation has been a problem in grain and has been a major complaint from foreign buyers. In an effort to reduce foreign complaints concerning infestation and to provide the U.S. grain industry with a practical means of controlling such infestation, FGIS participated in research conducted on a bulk carrier destined for Chile and a tanker destined for the U.S.S.R. Additional experiments on in-transit fumigation are proposed for grain loaded aboard tankers, bulk-dry cargo vessels, and ocean-going barges.

Also, initiated a review of current methods and procedures for determining insect infestation, to continue through fiscal year 1979, with concentration in three basic areas: 1) establishment of uniform procedures; 2) effectiveness of diverter-type samplers in obtaining samples of insect infested grain; and 3) the effect of new procedures on the marketing of U.S. grain.

- Developed interim instructions for implementing official protein testing of hard red winter and hard red spring wheat under the USGSA. These instructions outline requirements for the use and initial set-up of Near-Infrared Reflectance (NIR) and Kjeldahl methods, adjustments, troubleshooting, and training of field personnel. In addition, a supervision sampling plan for monitoring official agency protein determinations was implemented.
- Initiated studies to develop supervision, tolerance, and uniform loading criteria for protein in wheat. Agency procedures were developed for checktesting and monitoring all field office and official agency protein testing units. Instructions will be prepared for the testing of the remaining classes of wheat to be implemented on May 1, 1979.
- Developed and implemented a new warehouse lot inspection procedure for the inspection of rice at export locations. This procedure will provide better control of products being exported. Further review of this procedure is planned to include other products.
- Developed plans to study the feasibility of fumigating vessels carrying rice.
- Developed and established an aflatoxin testing program at 38 field locations. This service is available upon request and payment of a fee.
- Developed an interim instruction for inspecting rapeseed, which will be implemented in fiscal year 1979. This instruction was based primarily on the Canadian standards for rapeseed.

## B. ADAPTIVE RESEARCH AND METHODS

FGIS is dependent on non-FGIS resources for basic research pertaining to grain standards and weighing. FGIS does perform adaptive-type analyses and testing, and participates with other agencies in the Department in the formulation of research projects and activities relating to FGIS program requirements and needs. The accelerated grain standards program, specified in the 1976 amendments to the Act, has been instrumental in refocusing grain standards development toward end-use properties, identifying grain standard and inspection method needs, evaluating alternative tests for quality, and evaluating new equipment. Many projects in this area require several months and, in some cases, years to complete. The following are examples of program activities in this area:

- Continued the evaluation of commercially available moisture meters and new or improved techniques for measuring grain moisture content.
- Evaluated and approved NIR and associated equipment for determination of protein content in hard red winter and hard red spring wheat. Pursued efforts with SEA researchers concerning the selection of appropriate wavelengths and mathematical treatment of calibration data for wheat and other grains. In addition, continued work in an effort to extend this technology to other grains.
- Initiated a project for the development of equipment and procedures for a fast, accurate, and simple test for alpha amylase. This project is designed to determine the effects of sprout damaged grain on end-use properties and a quantitative correlation of amylase values to conventional techniques.
- Initiated a project for the application and use of Nuclear Magnetic Resonance for determining oil content in soybeans and other oilseeds.
- Evaluated an "infrared CO<sub>2</sub>" device which has demonstrated a capability to detect hidden insect infestation.

## C. DEVELOPMENTAL AND TECHNICAL TRAINING

Implementation of the USGSA would have been impossible without a viable technical training program. Importance of the training program to Agency performance has not diminished from November 20, 1976. While the number of experienced employees has increased, most have been stationed at export locations for reasons previously cited. In addition, the number of personnel at some export locations remains insufficient to meet local requirements. These situations require excessive overtime and detailing of personnel

from other field offices. This will continue as a management problem until adequate personnel are recruited and trained. The bulk of the FGIS field staff continues to receive some form of technical training. Field operations have not been adequately staffed and recruitment of over 400 new employees must be carried out, during fiscal year 1979, if a viable supervision program is to be developed at interior locations. Areas that have impacted on the Agency's developmental and technical training program are discussed below:

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- Continued a 3-week orientation program for newly recruited FGIS employees. This orientation program includes training in grain grading, familiarization with the weighing program, information regarding the FGIS career developmental program, defensive driving, EEO, employee ethics and conduct, instructions for the utilization of FGIS forms, safety policies and procedures, and similar subjects. However, the bulk of training for each new employee is on-the-job under the direction of a designated FGIS supervisor.
  - Relocated the Training Branch of the Standardization Division to Kansas City, Missouri, during the latter part of fiscal year 1978. At the present time, training courses are held in hotels and other rented facilities or wherever space is available. Establishment of a permanent training facility will permit more efficient use of training personnel and improve the quality of training. Greater use of training equipment and other visual aids will be possible in a permanent facility and will not be moved from location to location. In addition, this facility will be used for developing supervisory and managerial skills of approximately 250 headquarters and regional office personnel, as necessary.
  - Designed and implemented courses to train official weighers for the interior weighing program and to train personnel in the procedures to be followed in conducting weighing reviews.
  - By the end of fiscal year 1980, FGIS will have expanded its Federal workforce to approximately 1,978 full-time permanent and 100 part-time or intermittent employees; most of these employees will be graders and weighers. In addition, FGIS will supervise approximately 4,000 non-Federal employees of delegated and designated agencies. Few fully trained inspectors and weighers have been available from industry sources. Further, the attrition rate (as cited in the letter to Congress from the Administrator) has placed an unplanned burden on the training program. The Agency has recruited and will likely continue to recruit persons unskilled in grain inspection and weighing functions. This training, for example, takes 2 to 3-years to increase skill performance to the journeyman level of an ACG. After reaching the journeyman level, all ACGs and weighers are given periodic training to maintain accurate and uniform application of their skills and to increase their efficiency.

D. DELEGATION, DESIGNATION, LICENSING, REGISTRATION,  
AND RECORDKEEPING

In order to establish and maintain a nationally uniform grain inspection and weighing program, all persons performing official inspection, weighing, and related functions must be capable of performing these functions at the same relative level of proficiency. Certain qualifying and performance criteria must be established and complied with. The intended impact of the delegation, designation, and licensing activities is to assure that official agencies, as well as licensed employees, are qualified and equipped to perform official inspection and weighing functions. In addition to the above mentioned activities, compliance to the Act is enforced through the evaluation of reports on violations. If the violation is found to be valid, the Agency takes corrective action to resolve the problem. Listed below are some of the activities the Agency has initiated, completed, and/or continued for carrying out these provisions:

- Conducted on-site compliance reviews of 72 state and private inspection agencies, in fiscal year 1978, to implement the delegation and designation program. This was done to determine if the agencies had met criteria for official delegation and/or designation as specified in the USGSA. As a result of these reviews, nine states were delegated to perform official inspection and weighing functions at export port locations, and 35 agencies were designated to perform official functions at interior locations. Designation of agencies will be completed in fiscal year 1979.
- Initiated a task, in fiscal year 1978, to assign specific geographical areas, as part of the delegation and designation process, to each official agency which it alone services. This task of defining each agency's geographical boundary will be completed in fiscal year 1979.
- Expended considerable time, during fiscal year 1978, working with 20 agencies possessing potential conflicts of interest. This effort was to assist agencies to resolve such conflicts or to develop appropriate legal arrangements to resolve such conflicts before the November 20, 1978 deadline.
- Continued the licensing of inspectors, technicians, and samplers as an ongoing activity. In fiscal year 1978, procedures were developed to license individuals performing official weighing of export grain at export locations. In fiscal year 1979, these procedures will be expanded to license individuals performing official weighing of export grain at interior locations. We will also develop a licensing handbook which will help attain uniformity in the licensing procedures being applied throughout the United States.

--- The registration and recordkeeping provisions will not be implemented until the regulations are promulgated. At that time more precise parameters of these programs will be known and all affected firms will have an opportunity to make their respective needs known to the Agency. The remaining provisions such as the personnel performance and safety standards will be developed as soon as the appropriate studies are completed.

#### E. INSPECTION AND WEIGHING EQUIPMENT

Properly designed, maintained, and utilized inspection and weighing equipment is essential to the accurate inspection and weighing of grain. The FGIS thrust is to reduce human subjectivity in the inspection and weighing of grain. This can only be accomplished through the application of objective technology applicable to grain quality determination and accurate weighing. Technology has not provided the number and accuracy of objective tests needed to modify grain quality standards. However, recent technological developments in equipment and testing devices show promise for reducing the subjectivity and costs in both the inspection and weighing of grain. More than ever before, FGIS resources are being directed toward the development of new equipment and devices, and the maintenance and standardization of existing equipment. The net benefits derived and to be derived from these efforts are greater uniformity and accuracy in the application of official inspection and weighing standards. The Agency's accelerated efforts for greater accuracy and objectivity in the inspection and weighing process and to reduce costs are exemplified by the following:

- Worked closely with grain industry and equipment manufacturers in the evaluation of electronic monitoring equipment systems in several export grain elevators. This effort was to determine if the equipment could accurately provide assurance that all officially inspected and weighed grain was being delivered to or removed from a designated carrier. Construction plans for new facilities were also reviewed to determine if the facility provided a safe and secure system for the inspection and weighing of grain. This cooperative effort will be continued throughout fiscal year 1979 and ensuing years.
- Revised methods for checktesting diverter-type samplers in accordance with increased requirements. The Agency also assisted in implementing a nationwide checktesting program for NIR devices for determining the percentage of protein in grain.
- Designed a rail monitoring system to evaluate weighing programs at interior and destination locations by comparing origin and destination weights for the same railcars. This system will allow FGIS

to evaluate the weighing program at each elevator and review locations producing significant or continuous weight variances. The rail monitoring system will also be used to review official agency programs without costly and extensive physical supervision. A proposal for establishing an origin railcar data collection program with the Association of American Railroads (AAR) has been completed. This proposal will be reviewed by the executive board of the AAR to determine what information can be released. The AAR is interested in potential benefits that this system might provide the railroad industry.

- Developed a draft survey program to provide FGIS with a secondary source of weight information on vessels that can be used in foreign complaints arbitration.
- Continued to work with grain elevators in developing automated process control and certification systems for meeting FGIS weighing requirements and finalizing development of the monitoring and reporting systems used to support weighing programs. Such systems reduce grain elevator weighing costs by reducing the number of FGIS employees required to provide official weighing and the volume of records for inventory control purposes.

#### F. MONITORING SYSTEM

For FGIS to attain its goal of cost effectiveness of service, it must constantly monitor and evaluate the performance of every program component against realistic and quantifiable goals. No one monitoring or evaluation system will be sufficient. FGIS must develop mechanisms to timely identify and monitor such system attributes as: current and potential operational problems, operating costs relative to units of output, inspection and weighing accuracy by those authorized to perform official services, overtime, accuracy of expense vouchers, staffing patterns and levels, adequacy and responsiveness of informational devices, performance of directives, and similar actions that affect both Agency and official agency performance and costs. Some examples of these monitoring and evaluation techniques are presented below:

- Initiated an evaluation of the grain inspection monitoring system and made changes in the system to increase its accuracy and timeliness. This system is designed to compare the grain inspection factor analysis of the original inspection to that of the supervision analysis. Through this process significant deviations are noted and action to correct these deviations is taken by the supervisor.
- Developed an ERT approach to evaluate export field office operations and a DRT approach to evaluate interior field office operations. These teams observe and evaluate randomly selected field office operations and ascertain managerial and technical deficiencies as well

as adequacies. Each review is conducted by a four-to-seven member team from the FGIS program divisions. Thirteen unannounced ERTs and seven DRTs were conducted in fiscal year 1978, covering the operations of 18 field offices, three delegated States, and 10 designated agencies. As a last phase, where operational problems are considered critical, a more comprehensive review process is made of total field office operations, including the official agencies. This latter phase requires observation over several weeks. Lastly, travel vouchers and time and attendance reports are being randomly monitored through a system by the VRT to ascertain the accuracy of these documents. In fiscal year 1978, the VRT traveled to one regional office and six field offices. During fiscal year 1979 plans are to conduct approximately 20 ERTs, 20 DRTs, and 12 VRTs.

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These review teams identify administrative and technical operating procedures that are performed properly as well as those performed improperly. A corrective action schedule is developed following each evaluation. Regional directors review the schedule with field office supervisors during routine visits to determine whether and how well deficiencies have been corrected. These visits and discussions keep the regional directors informed of the operating problems and the status of corrections within their areas and provide a basis for determining the total staff that will be required to operate effectively.

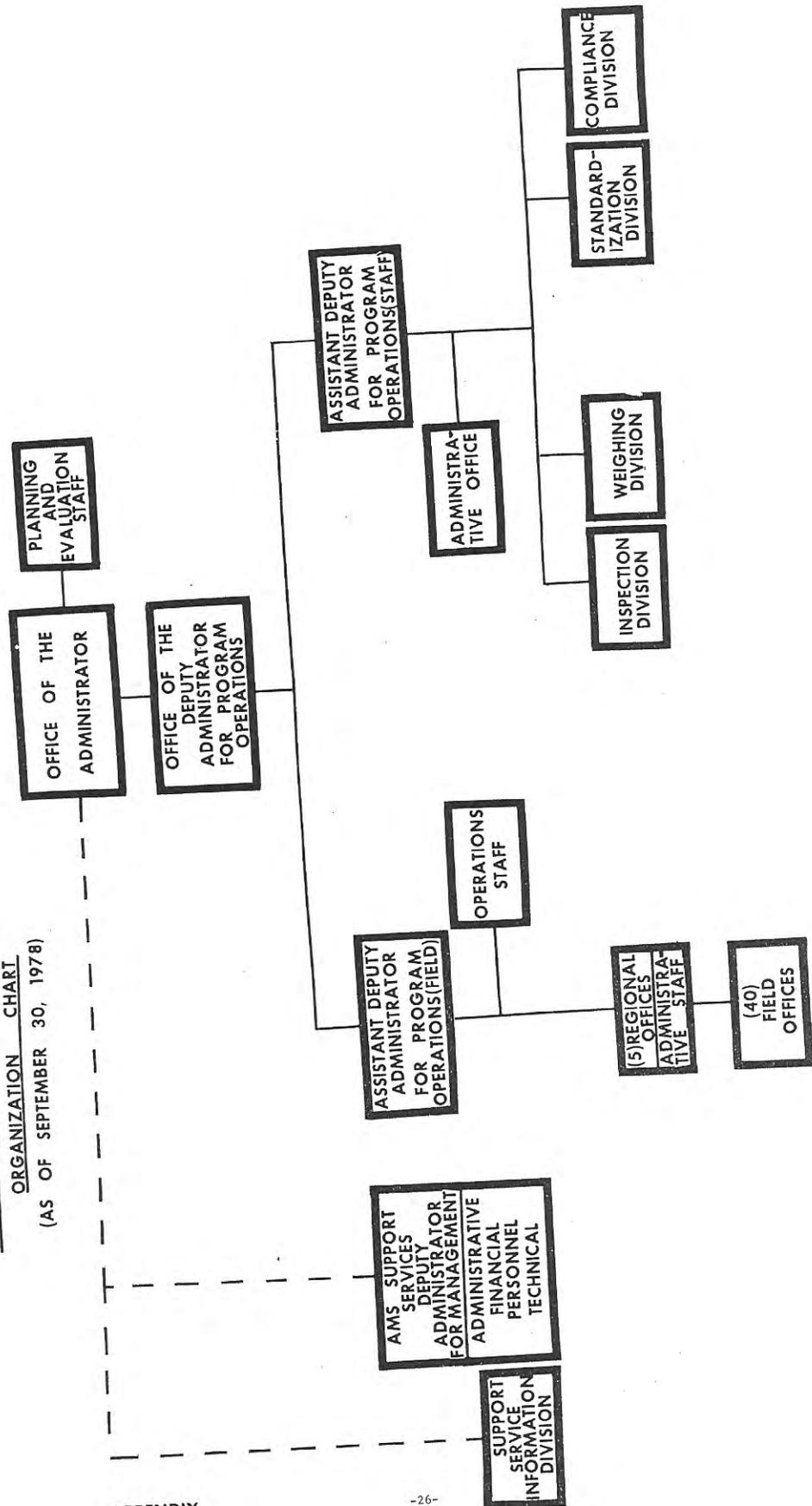
**FEDERAL GRAIN INSPECTION SERVICE**

**TOTAL EMPLOYMENT STATISTICS**

**(AS OF SEPTEMBER 23, 1978)**

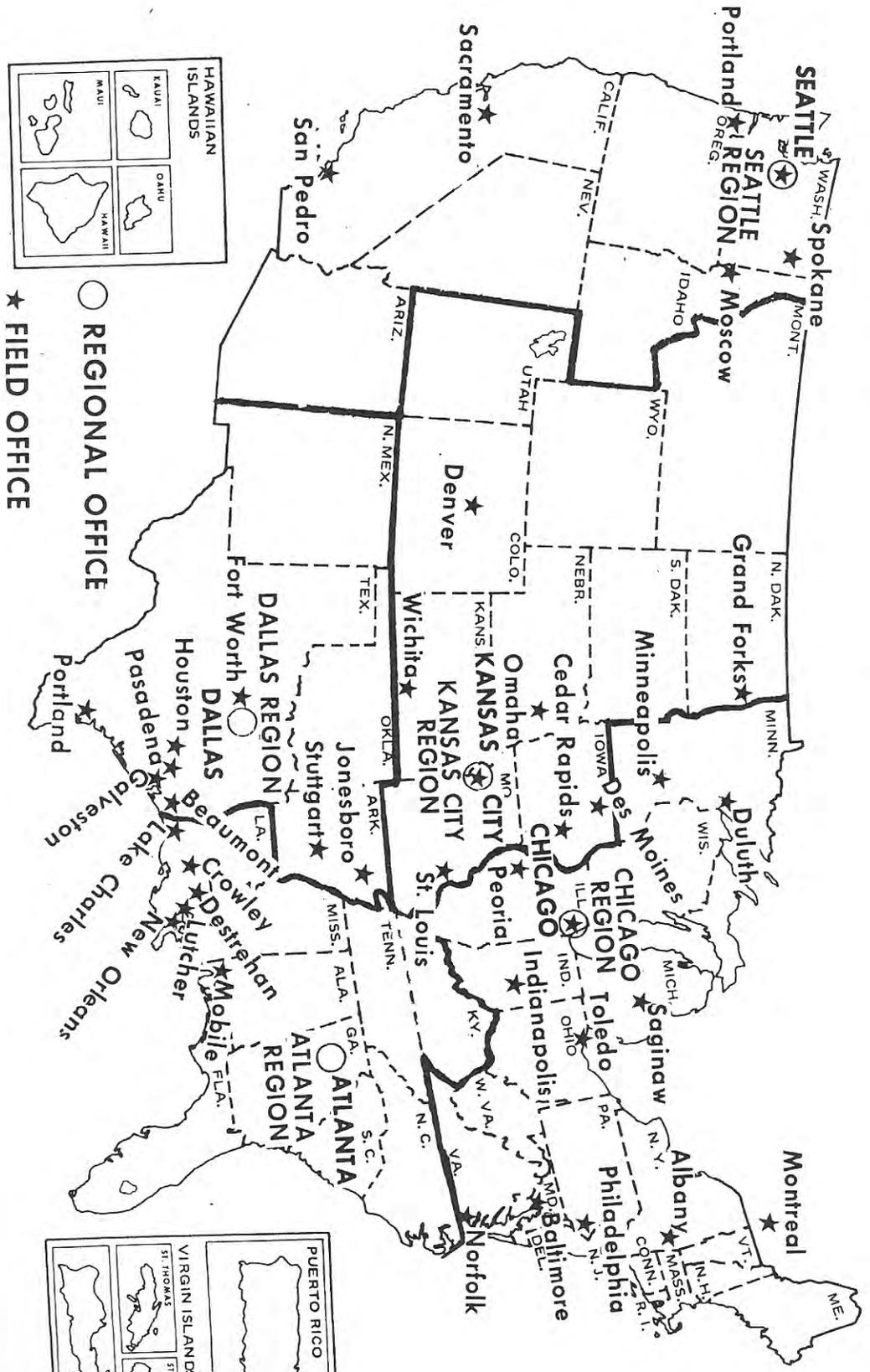
PROGRAM BLOCK	FULL-TIME PERMANENT			OTHER THAN FULL-TIME PERMANENT		
	D.C.	Field	Total	D.C.	Field	Total
SALARIES & EXPENSES						
Supervision of Inspection.....		203	203		26	26
Supervision of Weighing.....		56	56		8	8
Standardization - AMA.....	5		5	1		1
Washington Program Management.	204		204	17		17
SUBTOTAL, SALARIES & EXPENSES.	209	259	468	18	34	52
INSPECTION & WEIGHING SERVICES						
U.S. Grain Standards Act						
Original Inspection.....		418	418		59	59
Canadian Operations.....		7	7		2	2
U.S. Appeals.....	2	43	45		5	5
Original Weighing .....		412	412		69	69
Agricultural Marketing Act						
Rice .....	6	80	86	2	9	11
Misc. & Processed Commodities.	27	55	82	3	8	11
Misc. Agreements .....	1	1	2			
SUBTOTAL, INSPECTION & WEIGHING SERVICES .....	36	1,016	1,052	5	152	157
TOTAL . . . . .	245	1,275	1,520	23	186	209

FEDERAL GRAIN INSPECTION SERVICE  
 ORGANIZATION CHART  
 (AS OF SEPTEMBER 30, 1978)



APPENDIX

**FEDERAL GRAIN INSPECTION SERVICE**  
**REGIONAL BOUNDARY MAP**  
**(AS OF SEPTEMBER 30, 1978)**



AD-465(9/73)

○ REGIONAL OFFICE  
 ★ FIELD OFFICE

**FEDERAL GRAIN INSPECTION SERVICE**  
**INSPECTION FUNCTION**  
**STATISTICAL DATA**

<u>GRAIN INSPECTION</u>	<u>FISCAL YEARS</u>		
	<u>PAST</u>	<u>CURRENT</u>	<u>BUDGET</u>
	1978	1979	1980
Quantity of grain produced (Million bushels).....	12,135	12,100	12,100
Quantity of grain inspected (Million bushels).....	9,900	9,900	9,900
(Million pounds).....	576,000	576,000	576,000
Number of official agencies.....	90	90	90
Number of licensee official inspections.....	3,398,900	3,339,000	3,340,000
Number of Federal official inspections.....	193,600	250,000	250,000
Number of Federal supervisions.....	75,300	90,000	90,000
Number of appeals.....	30,300	30,000	30,000
Number of appeals carried to Appeals Board.....	1,200	1,200	1,200
Number of foreign quality complaints.....	21	19	17
Grain marketed under Federal grades as compared to preceding crop year production (%).....	82%	82%	82%
Sedimentation (1,000 bushels) Certificates issued.....	20	20	20
Volume represented (1,000 bushels).....	9,300	9,300	9,300
Protein Certificates issued.....	210,000	800,000	800,000
Volume represented (1,000 bushels).....	400,000	900,000	900,000
Aflatoxin Tests.....	10,000	10,000	10,000
Volume represented (1,000 bushels).....	295,200	300,000	300,000

**FEDERAL GRAIN INSPECTION SERVICE**  
**INSPECTION FUNCTION**  
**STATUS OF EMPLOYMENT**  
**(AS OF SEPTEMBER 23, 1978)**

PROGRAM BLOCK	FULL-TIME PERMANENT			OTHER THAN FULL-TIME PERMANENT		
	D.C.	Field	Total	D.C.	Field	Total
<b>SALARIES &amp; EXPENSES</b>						
Supervision of Inspection.....		203	203		26	26
Washington Program Management.	28		28	3		3
<b>SUBTOTAL, SALARIES &amp; EXPENSES.</b>	28	203	231	3	26	29
<b>INSPECTION SERVICES</b>						
<b>U.S. Grain Standards Act</b>						
Original Inspection.....		418	418		59	59
Canadian Operations.....		7	7		2	2
U.S. Appeals.....		43	43		5	5
<b>Agricultural Marketing Act</b>						
Rice.....	3	80	83	1	9	10
Misc. & Processed Commodities.	26	55	81	3	8	11
Misc. Agreements.....	1	1	2			
<b>SUBTOTAL, INSPECTION SERVICES.</b>	30	604	634	4	83	87
<b>TOTAL.....</b>	58	807	865	7	109	116

**FEDERAL GRAIN INSPECTION SERVICE**  
**WEIGHING FUNCTION**  
**STATISTICAL DATA**

<u>GRAIN WEIGHING</u>	<u>FISCAL YEARS</u>		
	<u>PAST</u>	<u>CURRENT</u>	<u>BUDGET</u>
	1978	1979	1980
Official weight certificates issued			
By Federal personnel (000).....	852	1,026	1,026
By delegated State personnel (000).....	237	474	474
Official supervision weight certificates issued			
By Federal and designated State personnel (000).		500	1,000
Quantity of export grain weighed			
(Billions of pounds) <sup>1</sup>			
By Federal personnel.....	167	201	201
By delegated State personnel.....	27	54	54

<sup>1</sup>Figures are listed in pounds actually weighed rather than estimated bushel conversions.

**FEDERAL GRAIN INSPECTION SERVICE**

**WEIGHING FUNCTION**

**STATUS OF EMPLOYMENT**

**(AS OF SEPTEMBER 23, 1978)**

PROGRAM BLOCK	FULL-TIME PERMANENT			OTHER THAN FULL-TIME PERMANENT		
	D.C.	Field	Total	D.C.	Field	Total
SALARIES & EXPENSES						
Supervision of Weighing.....		56	56		8	8
Washington Program Management.	30		30			
SUBTOTAL, SALARIES & EXPENSES.	30	56	86		8	8
WEIGHING SERVICES						
U.S. Grain Standards Act						
Original Weighing.....		412	412		69	69
SUBTOTAL, WEIGHING SERVICES...		412	412		69	69
TOTAL.....	30	468	498		77	77

**FEDERAL GRAIN INSPECTION SERVICE**  
**STANDARDIZATION FUNCTION**  
**STATISTICAL DATA**

<u>INSPECTION, GRADING, CLASSING, AND STANDARDIZATION STANDARDS:</u>	<u>PAST</u>	<u>FISCAL YEARS</u>	
		<u>CURRENT</u>	<u>BUDGET</u>
	1978	1979	1980
U.S. grade standards in effect.....	19	19	20
Commodities covered by standards.....	16	16	17
New standards issued during fiscal year..	0	0	1
New standards in process.....	1	2	1
Requests pending for new standards.....	3	4	3
Standards revised during fiscal year.....	1	14	3
Standards being revised.....	2	3	1
Requests pending revision of standards...	1	3	0

**FEDERAL GRAIN INSPECTION SERVICE**  
**STANDARDIZATION FUNCTION**  
**STATUS OF EMPLOYMENT**  
**(AS OF SEPTEMBER 23, 1978)**

PROGRAM BLOCK	FULL-TIME PERMANENT			OTHER THAN FULL-TIME PERMANENT		
	D.C.	Field	Total	D.C.	Field	Total
SALARIES & EXPENSES						
Standardization - AMA.....	5		5	1		1
Washington Program Management ...	48		48	5		5
SUBTOTAL, SALARIES & EXPENSES...	53		53	6		6
INSPECTION & WEIGHING SERVICES						
U.S. Grain Standards Act						
U.S. Appeals.....	2		2			
Agricultural Marketing Act						
Rice.....	1		1			
SUBTOTAL, INSPECTION & WEIGHING SERVICES.....	3		3			
TOTAL.....	56		56	6		6

# FEDERAL GRAIN INSPECTION SERVICE

## COMPLIANCE FUNCTION

### STATISTICAL DATA

ACTIVITIES	FISCAL YEARS		
	PAST	CURRENT	BUDGET
	1978	1979	1980
Licensing			
Issued.....	1756	1900	1700
New.....	762	825	750
Renewed.....	624	675	620
Amended.....	307	330	300
Reinstated.....	35	40	20
Suspended.....	400	440	400
Terminated (Expired).....	500	550	500
Cancelled.....	400	440	400
Other (Transfers, duplicates).....	28	30	10
Licenses in effect at end of year:			
Inspectors.....	835	850	850
Samplers.....	1280	1200	1100
Technicians.....	980	1000	1000
Weighers.....	423	500	500
Warehouse samplers.....	1000	800	600
Total.....	4518	4350	4050
Designation of Inland Inspection and Weighing Agencies			
Designations issued.....	35	51	2
Redesignations issued.....	0	29	29
Amendments.....	6	8	8
Cancellations.....	6	11	3
Number in effect at end of year.....	35	86	86
Delegation of States at Export Locations			
Delegations issued.....	9	0	0
Amendments.....	0	2	2
Number in effect at end of year.....	9	8	8
Contracting			
New warehouse sample contracts issued....	0	0	0
Cancellations.....	0	0	0
Total Contracts in effect at end of year.	0	0	0
Contract samplers (AMA).....	385	400	400

**FEDERAL GRAIN INSPECTION SERVICE**

**COMPLIANCE FUNCTION**

**STATUS OF EMPLOYMENT**

**(AS OF SEPTEMBER 23, 1978)**

PROGRAM BLOCK	FULL-TIME PERMANENT			OTHER THAN FULL-TIME PERMANENT		
	D.C.	Field	Total	D.C.	Field	Total
SALARIES & EXPENSES						
Washington Program Management.....	54		54	2		2
SUBTOTAL, SALARIES & EXPENSES.....	54		54	2		2
TOTAL.....	54		54	2		2

# FEDERAL GRAIN INSPECTION SERVICE

## 1978 AGENCY OBJECTIVES

### OBJECTIVE

- To develop and implement a study to ascertain the performance and constraints of current standards.

- To design, develop, and implement registration of persons engaged in the business of buying grain for sale in foreign commerce and in the business of handling, weighing, or transporting grain for sale in foreign commerce as specified under Section 17A of the Act

-To implement the Regional Office System.

-To design and implement a Field Operations Staff within the Office of the Assistant Deputy Administrator for Program Operations.

-To develop, implement, and monitor official inspection and weighing operations.

-To design and implement a unified directives system.

-To design and implement a grain inventory monitoring system.

-To complete the takeover of private agencies performing grain inspection and weighing at export locations.

-To analyze Agency management needs, recommend priority modifications, and implement recommendations.

### ACCOMPLISHMENT

Completed as scheduled.

Delayed implementation until new regulations are promulgated.

Implementation achieved. Offices not yet adequately staffed.

Implementation achieved. Staff operating with detailed personnel.

An export and domestic review team approach was implemented.

Study made of the FGIS directives system. A decision was made. Recommendations of this study to be implemented.

Completed as scheduled.

Completed as scheduled.

Ongoing.

# FEDERAL GRAIN INSPECTION SERVICE

## 1978 AGENCY OBJECTIVES

### OBJECTIVE

- To draft regulations implementing the provisions of the 1976 and 1977 amendments to the USGSA, to promulgate for review, and to implement the final regulations.
- To analyze new employee attrition rate and revise the recruitment program.

### ACCOMPLISHMENT

The regulations were drafted and reviewed.

Completed. Alternative sources of recruitment explored. (Elevator explosions increased recruitment problems.) Revised recruitment plan developed the last quarter of fiscal year.

# FEDERAL GRAIN INSPECTION SERVICE

## 1979 AGENCY OBJECTIVES

- To finalize regulations.
- To design and implement a directives system.
- To increase physical monitoring of designated/delegated agencies.
- To design and implement a weighing inventory monitoring system.
- To clearly define lines of authority, responsibility, and functions of Agency, staff, and line units.
- To establish a system for Agency planning and follow-up.
- To develop and implement a budgeting and accountability system.
- Staff regions, Operations Staff, and Washington-based units.
- To develop a system within the organization to identify and report program deficiencies.
- To standardize the use of ACG & ACA positions at export locations.
- To re-examine the purpose and use of the industry appeal structures of FGIS.

## FEDERAL GRAIN INSPECTION SERVICE

### 1979 - 1983 AGENCY LONG-RANGE GOALS

- To revise FGIS directives to reflect USGSA policies and procedures.
- To design and implement an Agency supervision and monitoring system for regions, field offices, and agencies.
- To increase the effectiveness of the FGIS organization.
- To implement uniform inspection and weighing programs.
- To redesign and implement marketing standards that reflect commercial end-use of grain.

**FEDERAL GRAIN INSPECTION SERVICE**  
**REGULATIONS REVISED UNDER THE**  
**UNITED STATES GRAIN STANDARDS ACT, AS AMENDED**

SUBPART

- A Regulations under the U.S. Grain Standards Act (For detailed listing of contents, see next page).
- C Official performance requirements for grain inspection equipment.
- D Official performance requirements for grain weighing equipment and related grain handling systems.
- E Official standards for recruiting, training, and supervising official personnel, and work production standards for such personnel.
- I Rules of practice governing informal proceedings under the U.S. Grain Standards Act and the Agricultural Marketing Act of 1946.
- J Safety and health requirements for working areas frequented by official personnel and related personnel.
- K Official stowage standards for grain carriers.

**FEDERAL GRAIN INSPECTION SERVICE**  
**DETAILED LISTING OF SUBPART A-REVISED REGULATIONS**  
**UNDER THE UNITED STATES GRAIN STANDARDS ACT, AS AMENDED**

<u>UNIT</u>	<u>TITLE</u>
I	Definitions
II	Administration
III	Official inspection and official weighing requirements
IV	Recordkeeping and access to facilities
V	Registration
VI	Conditions for obtaining or withholding services
VII	Restrictions on representations
VIII	Deceptive loading, handling, weighing, sampling
IX	Fees - OIA
X	Kinds of official services
XI	Inspection methods and procedures
XII	Weighing provisions and procedures
XIII	Original services
XIV	Reinspection and review of weighing services
XV	Appeal inspection services
XVI	Official records and forms (general)
XVII	Official certificates
XVIII	Licenses, authorizations, and approvals (For individuals only)
XIX	Duties of licensed, authorized, and approved personnel
XX	Delegations, designations, and approvals (For organizations) and contractual arrangements (For individuals or organizations)
XXI	Supervision, monitoring, and equipment testing

# FEDERAL GRAIN INSPECTION SERVICE

## SUMMARY OF INSPECTION AND WEIGHING FOREIGN COMPLAINTS <sup>1</sup>

(OCTOBER 1, 1977, THROUGH SEPTEMBER 30, 1978)

COUNTRY	GRAIN	COMPLAINT	FORMAL <sup>2</sup> COMPLAINT GFC/WFC	INFORMAL <sup>3</sup> COMPLAINT GFI/WFI
Cyprus	Barley	Unknown contamination suspected cause of death in livestock		GFI
Cyprus	Sorghum	General low quality		GFI
Denmark	Soybeans	Excessive foreign material		GFI
Hong Kong	Wheat	Excessive foreign material		GFI
Ireland	Wheat	Excessive sprout damaged kernels		GFI
Japan	Soybeans	Sclerotinia contamination		GFI
Japan	Wheat	Excess dockage and foreign material		GFI
Japan	Wheat	Excess heat damage and dockage		GFI
Lebanon	Corn	Insect infestation		GFI
Lebanon	Wheat	Insect infestation		GFI
Mexico	Corn	Quality		GFI
Norway	Wheat & Corn	Short weight		WFI
Peru	Wheat	Mixed grain	GFC	
Philippines	Wheat	Foreign material	GFC	
Poland	Corn	Infestation		GFI
Portugal	Corn	Broken corn & foreign material	GFC	
Portugal	Corn	Excessive broken corn and foreign material		GFI
Portugal	Wheat	Short weight	WFC	
Scotland	Corn	Excessive broken corn and foreign material		GFI
Scotland	Corn	Insect infestation		GFI
Tanzania	Wheat	Excessive foreign material		GFI
United Kingdom	Wheat	Infestation		GFI
West Germany	Soybeans	Foreign material	GFC	

<sup>1</sup> Fiscal Year 1978 Quarterly Reports of Complaints and Inquiries from foreign buyers and others concerning grain inspected and weighed under the United States Grain Standards Act, as amended, have been submitted to the Chairman, Committee on Agriculture, House of Representatives and to the Chairman, Committee on Agriculture, Nutrition, and Forestry, United States Senate showing action taken on the above complaints and inquiries.

<sup>2</sup> A Formal Complaint is recorded when a Form FAS-802, "FAS Foreign Trade Discrepancy Inquiry (grain, oilseeds, and other commodities)" is received by FGIS. A formal quality complaint is denoted as GFC and a formal weights complaint is denoted as WFC.

<sup>3</sup> An Informal Complaint is recorded when an inquiry, either verbal or written is submitted through the Attache or FAS to FGIS. An informal quality complaint is denoted as GFI and an informal weights complaint is denoted as WFI. If an informal quality complaint or an informal weights complaint is formalized in a subsequent reporting period, it will then appear as GFC or WFC, respectively.

## FEDERAL GRAIN INSPECTION SERVICE

### SUMMARY OF FOREIGN MONITORING TEAM ACTIVITIES BY COUNTRY VISITED <sup>1</sup>

(OCTOBER 1, 1977, THROUGH SEPTEMBER 30, 1978)

The Federal Grain Inspection Service (FGIS) has developed a general monitoring approach to provide response to specific complaints concerning the quality and/or condition of U.S. grain at ports of destination as provided under the authority of Section 16 (b) and 16 (c) of the Act.

As a part of the monitoring process, FGIS monitoring teams:

- Explain interpretation of U.S. standards for grain;
- Identify differences between U.S. standards and standards of the foreign nation;
- Observe the grain sampling techniques used by foreign buyers;
- Observe inventory handling equipment and facilities; and
- Observe practices which impact on U.S. grain qualities delivered to foreign buyers.

TEAM(S)	COUNTRY(IES) VISITED	DATE(S)
Representatives from the Inspection and Weighing Divisions	Poland, Belgium, and England	September 23, through October 18, 1977
Representatives from the Inspection and Weighing Divisions	Netherlands, Belgium West Germany, Denmark, and England	November 1, through December 2, 1977
Representatives from the Inspection Division and Representatives from Agricultural Research Services	Chile	November 4, through December 9, 1977
A veterinarian stationed in Rome from the Animal and Plant Health Inspection Service	Cyprus	December 15, through December 22, 1977
Representatives from the Weighing Division	Rotterdam and Norway	June 28, through July 3, 1978
Representatives from the Inspection Division	Russia	May 2, through May 15, 1978
Representatives from the Ft. Worth, TX Field Office	Israel	August 27, through September 6, 1978

<sup>1</sup>Fiscal Year 1978 Quarterly Reports of Complainants and Inquiries from foreign buyers and others concerning grain inspected and weighed under the United States Grain Standards Act, as amended, have been submitted to the Chairman, Committee on Agriculture, House of Representatives and to the Chairman, Committee on Agriculture, Nutrition, and Forestry, United States Senate showing action taken on the above monitoring visits.

**FEDERAL GRAIN INSPECTION SERVICE**

**SUMMARY OF BRIEFINGS GIVEN VISITING  
FOREIGN TRADE AND GOVERNMENTAL TEAMS** <sup>1</sup>

**(OCTOBER 1, 1977, THROUGH SEPTEMBER 30, 1978)**

VISITING TRADE/GOVERNMENT TEAMS <sup>2</sup>	AGRICULTURAL ATTACHES/ ASSISTANT ATTACHES <sup>2</sup>	OTHER GROUPS <sup>2</sup>
Korean Ministry of Agriculture and Fisheries Brazilian Wheat Japanese Food Agency Nippon Flour Mills, Japan Royal Dutch Grain Trade Italian Grain Trade Singapore Flour Millers Romanian Technical Trade Korean Feed Bolivian Wheat Industry Korean Inspection Moroccan Wheat Trade Mission Sri Lanka Industry and Government Wheat Iran Wheat Trade Mission Egyptian Wheat Trade United Kingdom Independent Millers/Traders Korean Flour Millers Indian Wheat Industry Republic of China Wheat Industry Commission of European Communities, Belgium The National Milling Corporation, Tanzania Government Trade Administration, Israel American Soybean Association, Austria, and Tokyo Italian Wheat Processors Polish Investigation Cyprus Grain Commission Russian Grain Delegation Holland Japan Grain Inspection Association	Australia Dominican Republic France India Japan Morocco New Zealand Peoples Republic of China Russia West Germany Brazil Italy Mexico Taiwan Argentina Berlin Hong Kong Spain	Great Plains Wheat U.S. Feed Grains Council Western Wheat Associates

<sup>1</sup>Fiscal Year 1978 Quarterly Reports of Complaints and Inquiries from foreign buyers and others concerning grain inspected and weighed under the United States Grain Standards Act, as amended, have been submitted to the Chairman, Committee on Agriculture, House of Representatives and to the Chairman, Committee on Agriculture, Nutrition, and Forestry, United States Senate showing information given during briefings.

<sup>2</sup>Briefed on FGIS policies and procedures relating to export shipments of grain under the United States Grain Standards Act; procedures for inspecting grain for live insect infestation and options open to the shipper at the time of loading; fumigation; sprout damage; dockage levels; and other areas of concern.



**U.S. Department of Agriculture**